

110TH CONGRESS
1ST SESSION

H. R. 3688

To implement the United States-Peru Trade Promotion Agreement.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 2007

Mr. HOYER (for himself and Mr. BOEHNER) (both by request) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To implement the United States-Peru Trade Promotion Agreement.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “United States-Peru Trade Promotion Agreement Imple-
6 mentation Act”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Purposes.
Sec. 3. Definitions.

TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING
TO, THE AGREEMENT

- Sec. 101. Approval and entry into force of the Agreement.
- Sec. 102. Relationship of the Agreement to United States and State law.
- Sec. 103. Implementing actions in anticipation of entry into force and initial regulations.
- Sec. 104. Consultation and layover provisions for, and effective date of, proclaimed actions.
- Sec. 105. Administration of dispute settlement proceedings.
- Sec. 106. Arbitration of claims.
- Sec. 107. Effective dates; effect of termination.

TITLE II—CUSTOMS PROVISIONS

- Sec. 201. Tariff modifications.
- Sec. 202. Additional duties on certain agricultural goods.
- Sec. 203. Rules of origin.
- Sec. 204. Customs user fees.
- Sec. 205. Disclosure of incorrect information; false certifications of origin; denial of preferential tariff treatment.
- Sec. 206. Reliquidation of entries.
- Sec. 207. Recordkeeping requirements.
- Sec. 208. Enforcement relating to trade in textile or apparel goods.
- Sec. 209. Regulations.

TITLE III—RELIEF FROM IMPORTS

- Sec. 301. Definitions.

Subtitle A—Relief From Imports Benefiting From the Agreement

- Sec. 311. Commencing of action for relief.
- Sec. 312. Commission action on petition.
- Sec. 313. Provision of relief.
- Sec. 314. Termination of relief authority.
- Sec. 315. Compensation authority.
- Sec. 316. Confidential business information.

Subtitle B—Textile and Apparel Safeguard Measures

- Sec. 321. Commencement of action for relief.
- Sec. 322. Determination and provision of relief.
- Sec. 323. Period of relief.
- Sec. 324. Articles exempt from relief.
- Sec. 325. Rate after termination of import relief.
- Sec. 326. Termination of relief authority.
- Sec. 327. Compensation authority.
- Sec. 328. Confidential business information.

Subtitle C—Cases Under Title II of the Trade Act of 1974

- Sec. 331. Findings and action on goods of Peru.

TITLE IV—PROCUREMENT

- Sec. 401. Eligible products.

TITLE V—TRADE IN TIMBER PRODUCTS OF PERU

- Sec. 501. Enforcement relating to trade in timber products of Peru.

Sec. 502. Report to Congress.

TITLE VI—OFFSETS

Sec. 601. Customs user fees.

Sec. 602. Time for payment of corporate estimated taxes.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to approve and implement the free trade
4 agreement between the United States and Peru en-
5 tered into under the authority of section 2103(b) of
6 the Bipartisan Trade Promotion Authority Act of
7 2002 (19 U.S.C. 3803(b));

8 (2) to strengthen and develop economic rela-
9 tions between the United States and Peru for their
10 mutual benefit;

11 (3) to establish free trade between the United
12 States and Peru through the reduction and elimi-
13 nation of barriers to trade in goods and services and
14 to investment; and

15 (4) to lay the foundation for further coopera-
16 tion to expand and enhance the benefits of the
17 Agreement.

18 **SEC. 3. DEFINITIONS.**

19 In this Act:

20 (1) **AGREEMENT.**—The term “Agreement”
21 means the United States-Peru Trade Promotion
22 Agreement approved by Congress under section
23 101(a)(1).

1 (2) COMMISSION.—The term “Commission”
 2 means the United States International Trade Com-
 3 mission.

4 (3) HTS.—The term “HTS” means the Har-
 5 monized Tariff Schedule of the United States.

6 (4) TEXTILE OR APPAREL GOOD.—The term
 7 “textile or apparel good” means a good listed in the
 8 Annex to the Agreement on Textiles and Clothing
 9 referred to in section 101(d)(4) of the Uruguay
 10 Round Agreements Act (19 U.S.C. 3511(d)(4)),
 11 other than a good listed in Annex 3–C of the Agree-
 12 ment.

13 **TITLE I—APPROVAL OF, AND**
 14 **GENERAL PROVISIONS RE-**
 15 **LATING TO, THE AGREEMENT**

16 **SEC. 101. APPROVAL AND ENTRY INTO FORCE OF THE**
 17 **AGREEMENT.**

18 (a) APPROVAL OF AGREEMENT AND STATEMENT OF
 19 ADMINISTRATIVE ACTION.—Pursuant to section 2105 of
 20 the Bipartisan Trade Promotion Authority Act of 2002
 21 (19 U.S.C. 3805) and section 151 of the Trade Act of
 22 1974 (19 U.S.C. 2191), Congress approves—

23 (1) the United States-Peru Trade Promotion
 24 Agreement entered into on April 12, 2006, with the
 25 Government of Peru, as amended on June 24 and

1 June 25, 2007, respectively, by the United States
2 and Peru, and submitted to Congress on September
3 27, 2007; and

4 (2) the statement of administrative action pro-
5 posed to implement the Agreement that was sub-
6 mitted to Congress on September 27, 2007.

7 (b) CONDITIONS FOR ENTRY INTO FORCE OF THE
8 AGREEMENT.—At such time as the President determines
9 that Peru has taken measures necessary to comply with
10 those provisions of the Agreement that are to take effect
11 on the date on which the Agreement enters into force, the
12 President is authorized to exchange notes with the Gov-
13 ernment of Peru providing for the entry into force, on or
14 after January 1, 2008, of the Agreement with respect to
15 the United States.

16 **SEC. 102. RELATIONSHIP OF THE AGREEMENT TO UNITED**
17 **STATES AND STATE LAW.**

18 (a) RELATIONSHIP OF AGREEMENT TO UNITED
19 STATES LAW.—

20 (1) UNITED STATES LAW TO PREVAIL IN CON-
21 FFLICT.—No provision of the Agreement, nor the ap-
22 plication of any such provision to any person or cir-
23 cumstance, which is inconsistent with any law of the
24 United States shall have effect.

1 (2) CONSTRUCTION.—Nothing in this Act shall
2 be construed—

3 (A) to amend or modify any law of the
4 United States, or

5 (B) to limit any authority conferred under
6 any law of the United States,
7 unless specifically provided for in this Act.

8 (b) RELATIONSHIP OF AGREEMENT TO STATE
9 LAW.—

10 (1) LEGAL CHALLENGE.—No State law, or the
11 application thereof, may be declared invalid as to
12 any person or circumstance on the ground that the
13 provision or application is inconsistent with the
14 Agreement, except in an action brought by the
15 United States for the purpose of declaring such law
16 or application invalid.

17 (2) DEFINITION OF STATE LAW.—For purposes
18 of this subsection, the term “State law” includes—

19 (A) any law of a political subdivision of a
20 State; and

21 (B) any State law regulating or taxing the
22 business of insurance.

23 (c) EFFECT OF AGREEMENT WITH RESPECT TO PRI-
24 VATE REMEDIES.—No person other than the United
25 States—

1 (1) shall have any cause of action or defense
2 under the Agreement or by virtue of congressional
3 approval thereof; or

4 (2) may challenge, in any action brought under
5 any provision of law, any action or inaction by any
6 department, agency, or other instrumentality of the
7 United States, any State, or any political subdivision
8 of a State, on the ground that such action or inac-
9 tion is inconsistent with the Agreement.

10 **SEC. 103. IMPLEMENTING ACTIONS IN ANTICIPATION OF**
11 **ENTRY INTO FORCE AND INITIAL REGULA-**
12 **TIONS.**

13 (a) IMPLEMENTING ACTIONS.—

14 (1) PROCLAMATION AUTHORITY.—After the
15 date of the enactment of this Act—

16 (A) the President may proclaim such ac-
17 tions, and

18 (B) other appropriate officers of the
19 United States Government may issue such reg-
20 ulations,

21 as may be necessary to ensure that any provision of
22 this Act, or amendment made by this Act, that takes
23 effect on the date on which the Agreement enters
24 into force is appropriately implemented on such
25 date, but no such proclamation or regulation may

1 have an effective date earlier than the date on which
2 the Agreement enters into force.

3 (2) EFFECTIVE DATE OF CERTAIN PROCLAIMED
4 ACTIONS.—Any action proclaimed by the President
5 under the authority of this Act that is not subject
6 to the consultation and layover provisions under sec-
7 tion 104 may not take effect before the 15th day
8 after the date on which the text of the proclamation
9 is published in the Federal Register.

10 (3) WAIVER OF 15-DAY RESTRICTION.—The 15-
11 day restriction contained in paragraph (2) on the
12 taking effect of proclaimed actions is waived to the
13 extent that the application of such restriction would
14 prevent the taking effect on the date the Agreement
15 enters into force of any action proclaimed under this
16 section.

17 (b) INITIAL REGULATIONS.—Initial regulations nec-
18 essary or appropriate to carry out the actions required by
19 or authorized under this Act or proposed in the statement
20 of administrative action submitted under section
21 101(a)(2) to implement the Agreement shall, to the max-
22 imum extent feasible, be issued within 1 year after the
23 date on which the Agreement enters into force. In the case
24 of any implementing action that takes effect on a date
25 after the date on which the Agreement enters into force,

1 initial regulations to carry out that action shall, to the
2 maximum extent feasible, be issued within 1 year after
3 such effective date.

4 **SEC. 104. CONSULTATION AND LAYOVER PROVISIONS FOR,**
5 **AND EFFECTIVE DATE OF, PROCLAIMED AC-**
6 **TIONS.**

7 If a provision of this Act provides that the implemen-
8 tation of an action by the President by proclamation is
9 subject to the consultation and layover requirements of
10 this section, such action may be proclaimed only if—

11 (1) the President has obtained advice regarding
12 the proposed action from—

13 (A) the appropriate advisory committees
14 established under section 135 of the Trade Act
15 of 1974 (19 U.S.C. 2155); and

16 (B) the Commission;

17 (2) the President has submitted to the Com-
18 mittee on Finance of the Senate and the Committee
19 on Ways and Means of the House of Representatives
20 a report that sets forth—

21 (A) the action proposed to be proclaimed
22 and the reasons therefor; and

23 (B) the advice obtained under paragraph
24 (1);

1 (3) a period of 60 calendar days, beginning on
2 the first day on which the requirements set forth in
3 paragraphs (1) and (2) have been met, has expired;
4 and

5 (4) the President has consulted with the com-
6 mittees referred to in paragraph (2) regarding the
7 proposed action during the period referred to in
8 paragraph (3).

9 **SEC. 105. ADMINISTRATION OF DISPUTE SETTLEMENT PRO-**
10 **CEEDINGS.**

11 (a) ESTABLISHMENT OR DESIGNATION OF OFFICE.—
12 The President is authorized to establish or designate with-
13 in the Department of Commerce an office that shall be
14 responsible for providing administrative assistance to pan-
15 els established under chapter 21 of the Agreement. The
16 office shall not be considered to be an agency for purposes
17 of section 552 of title 5, United States Code.

18 (b) AUTHORIZATION OF APPROPRIATIONS.—There
19 are authorized to be appropriated for each fiscal year after
20 fiscal year 2007 to the Department of Commerce such
21 sums as may be necessary for the establishment and oper-
22 ations of the office established or designated under sub-
23 section (a) and for the payment of the United States share
24 of the expenses of panels established under chapter 21 of
25 the Agreement.

1 **SEC. 106. ARBITRATION OF CLAIMS.**

2 The United States is authorized to resolve any claim
3 against the United States covered by article
4 10.16.1(a)(i)(C) or article 10.16.1(b)(i)(C) of the Agree-
5 ment, pursuant to the Investor-State Dispute Settlement
6 procedures set forth in section B of chapter 10 of the
7 Agreement.

8 **SEC. 107. EFFECTIVE DATES; EFFECT OF TERMINATION.**

9 (a) **EFFECTIVE DATES.**—Except as provided in sub-
10 section (b), this Act and the amendments made by this
11 Act take effect on the date on which the Agreement enters
12 into force.

13 (b) **EXCEPTIONS.**—Sections 1 through 3 and this
14 title take effect on the date of the enactment of this Act.

15 (c) **TERMINATION OF THE AGREEMENT.**—On the
16 date on which the Agreement terminates, this Act (other
17 than this subsection) and the amendments made by this
18 Act shall cease to have effect.

19 **TITLE II—CUSTOMS PROVISIONS**

20 **SEC. 201. TARIFF MODIFICATIONS.**

21 (a) **TARIFF MODIFICATIONS PROVIDED FOR IN THE**
22 **AGREEMENT.**—

23 (1) **PROCLAMATION AUTHORITY.**—The Presi-
24 dent may proclaim—

25 (A) such modifications or continuation of
26 any duty,

1 (B) such continuation of duty-free or ex-
2 cise treatment, or

3 (C) such additional duties,
4 as the President determines to be necessary or ap-
5 propriate to carry out or apply articles 2.3, 2.5, 2.6,
6 3.3.13, and Annex 2.3 of the Agreement.

7 (2) EFFECT ON GSP STATUS.—Notwithstanding
8 section 502(a)(1) of the Trade Act of 1974 (19
9 U.S.C. 2462(a)(1)), the President shall, on the date
10 on which the Agreement enters into force, terminate
11 the designation of Peru as a beneficiary developing
12 country for purposes of title V of the Trade Act of
13 1974 (19 U.S.C. 2461 et seq.).

14 (b) OTHER TARIFF MODIFICATIONS.—Subject to the
15 consultation and layover provisions of section 104, the
16 President may proclaim—

17 (1) such modifications or continuation of any
18 duty,

19 (2) such modifications as the United States
20 may agree to with Peru regarding the staging of any
21 duty treatment set forth in Annex 2.3 of the Agree-
22 ment,

23 (3) such continuation of duty-free or excise
24 treatment, or

25 (4) such additional duties,

1 as the President determines to be necessary or appropriate
 2 to maintain the general level of reciprocal and mutually
 3 advantageous concessions with respect to Peru provided
 4 for by the Agreement.

5 (c) CONVERSION TO AD VALOREM RATES.—For pur-
 6 poses of subsections (a) and (b), with respect to any good
 7 for which the base rate in the Schedule of the United
 8 States to Annex 2.3 of the Agreement is a specific or com-
 9 pound rate of duty, the President may substitute for the
 10 base rate an ad valorem rate that the President deter-
 11 mines to be equivalent to the base rate.

12 (d) TARIFF RATE QUOTAS.—In implementing the
 13 tariff rate quotas set forth in Appendix I to the Schedule
 14 of the United States to Annex 2.3 of the Agreement, the
 15 President shall take such action as may be necessary to
 16 ensure that imports of agricultural goods do not disrupt
 17 the orderly marketing of commodities in the United
 18 States.

19 **SEC. 202. ADDITIONAL DUTIES ON CERTAIN AGRICUL-**
 20 **TURAL GOODS.**

21 (a) DEFINITIONS.—In this section:

22 (1) APPLICABLE NTR (MFN) RATE OF DUTY.—
 23 The term “applicable NTR (MFN) rate of duty”
 24 means, with respect to a safeguard good, a rate of
 25 duty equal to the lowest of—

1 (A) the base rate in the Schedule of the
2 United States to Annex 2.3 of the Agreement;

3 (B) the column 1 general rate of duty that
4 would, on the day before the date on which the
5 Agreement enters into force, apply to a good
6 classifiable in the same 8-digit subheading of
7 the HTS as the safeguard good; or

8 (C) the column 1 general rate of duty that
9 would, at the time the additional duty is im-
10 posed under subsection (b), apply to a good
11 classifiable in the same 8-digit subheading of
12 the HTS as the safeguard good.

13 (2) SCHEDULE RATE OF DUTY.—The term
14 “schedule rate of duty” means, with respect to a
15 safeguard good, the rate of duty for that good that
16 is set forth in the Schedule of the United States to
17 Annex 2.3 of the Agreement.

18 (3) SAFEGUARD GOOD.—The term “safeguard
19 good” means a good—

20 (A) that is included in the Schedule of the
21 United States to Annex 2.18 of the Agreement;

22 (B) that qualifies as an originating good
23 under section 203, except that operations per-
24 formed in or material obtained from the United
25 States shall be considered as if the operations

1 were performed in, and the material was ob-
2 tained from, a country that is not a party to
3 the Agreement; and

4 (C) for which a claim for preferential tariff
5 treatment under the Agreement has been made.

6 (b) ADDITIONAL DUTIES ON SAFEGUARD GOODS.—

7 (1) IN GENERAL.—In addition to any duty pro-
8 claimed under subsection (a) or (b) of section 201,
9 the Secretary of the Treasury shall assess a duty, in
10 the amount determined under paragraph (2), on a
11 safeguard good imported into the United States in
12 a calendar year if the Secretary determines that,
13 prior to such importation, the total volume of that
14 safeguard good that is imported into the United
15 States in that calendar year exceeds 130 percent of
16 the volume that is provided for that safeguard good
17 in the corresponding year in the applicable table
18 contained in Appendix I of the General Notes to the
19 Schedule of the United States to Annex 2.3 of the
20 Agreement. For purposes of this subsection, year 1
21 in that table corresponds to the calendar year in
22 which the Agreement enters into force.

23 (2) CALCULATION OF ADDITIONAL DUTY.—The
24 additional duty on a safeguard good under this sub-
25 section shall be—

1 (A) in years 1 through 12, an amount
2 equal to 100 percent of the excess of the appli-
3 cable NTR (MFN) rate of duty over the sched-
4 ule rate of duty; and

5 (B) in years 13 through 16, an amount
6 equal to 50 percent of the excess of the applica-
7 ble NTR (MFN) rate of duty over the schedule
8 rate of duty.

9 (3) NOTICE.—Not later than 60 days after the
10 Secretary of the Treasury first assesses an addi-
11 tional duty in a calendar year on a good under this
12 subsection, the Secretary shall notify the Govern-
13 ment of Peru in writing of such action and shall pro-
14 vide to that Government data supporting the assess-
15 ment of the additional duty.

16 (c) EXCEPTIONS.—No additional duty shall be as-
17 sessed on a good under subsection (b) if, at the time of
18 entry, the good is subject to import relief under—

19 (1) subtitle A of title III of this Act; or

20 (2) chapter 1 of title II of the Trade Act of
21 1974 (19 U.S.C. 2251 et seq.).

22 (d) TERMINATION.—The assessment of an additional
23 duty on a good under subsection (b) shall cease to apply
24 to that good on the date on which duty-free treatment

1 must be provided to that good under the Schedule of the
2 United States to Annex 2.3 of the Agreement.

3 **SEC. 203. RULES OF ORIGIN.**

4 (a) APPLICATION AND INTERPRETATION.—In this
5 section:

6 (1) TARIFF CLASSIFICATION.—The basis for
7 any tariff classification is the HTS.

8 (2) REFERENCE TO HTS.—Whenever in this
9 section there is a reference to a chapter, heading, or
10 subheading, such reference shall be a reference to a
11 chapter, heading, or subheading of the HTS.

12 (3) COST OR VALUE.—Any cost or value re-
13 ferred to in this section shall be recorded and main-
14 tained in accordance with the generally accepted ac-
15 counting principles applicable in the territory of the
16 country in which the good is produced (whether
17 Peru or the United States).

18 (b) ORIGINATING GOODS.—For purposes of this Act
19 and for purposes of implementing the preferential tariff
20 treatment provided for under the Agreement, except as
21 otherwise provided in this section, a good is an originating
22 good if—

23 (1) the good is a good wholly obtained or pro-
24 duced entirely in the territory of Peru, the United
25 States, or both;

1 (2) the good—

2 (A) is produced entirely in the territory of
3 Peru, the United States, or both, and—

4 (i) each of the nonoriginating mate-
5 rials used in the production of the good
6 undergoes an applicable change in tariff
7 classification specified in Annex 3–A or
8 Annex 4.1 of the Agreement; or

9 (ii) the good otherwise satisfies any
10 applicable regional value-content or other
11 requirements specified in Annex 3–A or
12 Annex 4.1 of the Agreement; and

13 (B) satisfies all other applicable require-
14 ments of this section; or

15 (3) the good is produced entirely in the terri-
16 tory of Peru, the United States, or both, exclusively
17 from materials described in paragraph (1) or (2).

18 (c) REGIONAL VALUE-CONTENT.—

19 (1) IN GENERAL.—For purposes of subsection
20 (b)(2), the regional value-content of a good referred
21 to in Annex 4.1 of the Agreement, except for goods
22 to which paragraph (4) applies, shall be calculated
23 by the importer, exporter, or producer of the good,
24 on the basis of the build-down method described in

1 paragraph (2) or the build-up method described in
 2 paragraph (3).

3 (2) BUILD-DOWN METHOD.—

4 (A) IN GENERAL.—The regional value-con-
 5 tent of a good may be calculated on the basis
 6 of the following build-down method:

$$\text{RVC} = \frac{\text{AV}-\text{VNM}}{\text{AV}} \times 100$$

7 (B) DEFINITIONS.—In subparagraph (A):

8 (i) RVC.—The term “RVC” means
 9 the regional value-content of the good, ex-
 10 pressed as a percentage.

11 (ii) AV.—The term “AV” means the
 12 adjusted value of the good.

13 (iii) VNM.—The term “VNM” means
 14 the value of nonoriginating materials that
 15 are acquired and used by the producer in
 16 the production of the good, but does not
 17 include the value of a material that is self-
 18 produced.

1 (3) BUILD-UP METHOD.—

2 (A) IN GENERAL.—The regional value-con-
3 tent of a good may be calculated on the basis
4 of the following build-up method:

$$\text{RVC} = \frac{\text{VOM}}{\text{AV}} \times 100$$

5 (B) DEFINITIONS.—In subparagraph (A):

6 (i) RVC.—The term “RVC” means
7 the regional value-content of the good, ex-
8 pressed as a percentage.

9 (ii) AV.—The term “AV” means the
10 adjusted value of the good.

11 (iii) VOM.—The term “VOM” means
12 the value of originating materials that are
13 acquired or self-produced, and used by the
14 producer in the production of the good.

15 (4) SPECIAL RULE FOR CERTAIN AUTOMOTIVE
16 GOODS.—

17 (A) IN GENERAL.—For purposes of sub-
18 section (b)(2), the regional value-content of an
19 automotive good referred to in Annex 4.1 of the
20 Agreement shall be calculated by the importer,
21 exporter, or producer of the good, on the basis
22 of the following net cost method:

$$\text{RVC} = \frac{\text{NC-VNM}}{\text{NC}} \times 100$$

1 (B) DEFINITIONS.—In subparagraph (A):

2 (i) AUTOMOTIVE GOOD.—The term
3 “automotive good” means a good provided
4 for in any of subheadings 8407.31 through
5 8407.34, subheading 8408.20, heading
6 8409, or any of headings 8701 through
7 8708.

8 (ii) RVC.—The term “RVC” means
9 the regional value-content of the auto-
10 motive good, expressed as a percentage.

11 (iii) NC.—The term “NC” means the
12 net cost of the automotive good.

13 (iv) VNM.—The term “VNM” means
14 the value of nonoriginating materials that
15 are acquired and used by the producer in
16 the production of the automotive good, but
17 does not include the value of a material
18 that is self-produced.

19 (C) MOTOR VEHICLES.—

20 (i) BASIS OF CALCULATION.—For
21 purposes of determining the regional value-
22 content under subparagraph (A) for an
23 automotive good that is a motor vehicle
24 provided for in any of headings 8701

1 through 8705, an importer, exporter, or
2 producer may average the amounts cal-
3 culated under the formula contained in
4 subparagraph (A), over the producer's fis-
5 cal year—

6 (I) with respect to all motor vehi-
7 cles in any one of the categories de-
8 scribed in clause (ii); or

9 (II) with respect to all motor ve-
10 hicles in any such category that are
11 exported to the territory of the United
12 States or Peru.

13 (ii) CATEGORIES.—A category is de-
14 scribed in this clause if it—

15 (I) is the same model line of
16 motor vehicles, is in the same class of
17 motor vehicles, and is produced in the
18 same plant in the territory of Peru or
19 the United States, as the good de-
20 scribed in clause (i) for which regional
21 value-content is being calculated;

22 (II) is the same class of motor
23 vehicles, and is produced in the same
24 plant in the territory of Peru or the
25 United States, as the good described

1 in clause (i) for which regional value-
2 content is being calculated; or

3 (III) is the same model line of
4 motor vehicles produced in the terri-
5 tory of Peru or the United States as
6 the good described in clause (i) for
7 which regional value-content is being
8 calculated.

9 (D) OTHER AUTOMOTIVE GOODS.—For
10 purposes of determining the regional value-con-
11 tent under subparagraph (A) for automotive
12 materials provided for in any of subheadings
13 8407.31 through 8407.34, in subheading
14 8408.20, or in heading 8409, 8706, 8707, or
15 8708, that are produced in the same plant, an
16 importer, exporter, or producer may—

17 (i) average the amounts calculated
18 under the formula contained in subpara-
19 graph (A) over—

20 (I) the fiscal year of the motor
21 vehicle producer to whom the auto-
22 motive goods are sold,

23 (II) any quarter or month, or

24 (III) the fiscal year of the pro-
25 ducer of such goods,

1 if the goods were produced during the fis-
2 cal year, quarter, or month that is the
3 basis for the calculation;

4 (ii) determine the average referred to
5 in clause (i) separately for such goods sold
6 to 1 or more motor vehicle producers; or

7 (iii) make a separate determination
8 under clause (i) or (ii) for such goods that
9 are exported to the territory of Peru or the
10 United States.

11 (E) CALCULATING NET COST.—The im-
12 porter, exporter, or producer of an automotive
13 good shall, consistent with the provisions re-
14 garding allocation of costs provided for in gen-
15 erally accepted accounting principles, determine
16 the net cost of the automotive good under sub-
17 paragraph (B) by—

18 (i) calculating the total cost incurred
19 with respect to all goods produced by the
20 producer of the automotive good, sub-
21 tracting any sales promotion, marketing,
22 and after-sales service costs, royalties,
23 shipping and packing costs, and nonallow-
24 able interest costs that are included in the
25 total cost of all such goods, and then rea-

sonably allocating the resulting net cost of those goods to the automotive good;

(ii) calculating the total cost incurred with respect to all goods produced by that producer, reasonably allocating the total cost to the automotive good, and then subtracting any sales promotion, marketing, and after-sales service costs, royalties, shipping and packing costs, and nonallowable interest costs that are included in the portion of the total cost allocated to the automotive good; or

(iii) reasonably allocating each cost that forms part of the total cost incurred with respect to the automotive good so that the aggregate of these costs does not include any sales promotion, marketing, and after-sales service costs, royalties, shipping and packing costs, or nonallowable interest costs.

(d) VALUE OF MATERIALS.—

(1) IN GENERAL.—For the purpose of calculating the regional value-content of a good under subsection (c), and for purposes of applying the de

1 minimis rules under subsection (f), the value of a
2 material is—

3 (A) in the case of a material that is im-
4 ported by the producer of the good, the ad-
5 justed value of the material;

6 (B) in the case of a material acquired in
7 the territory in which the good is produced, the
8 value, determined in accordance with Articles 1
9 through 8, Article 15, and the corresponding in-
10 terpretive notes, of the Agreement on Imple-
11 mentation of Article VII of the General Agree-
12 ment on Tariffs and Trade 1994 referred to in
13 section 101(d)(8) of the Uruguay Round Agree-
14 ments Act (19 U.S.C. 3511(d)(8)), as set forth
15 in regulations promulgated by the Secretary of
16 the Treasury providing for the application of
17 such Articles in the absence of an importation
18 by the producer; or

19 (C) in the case of a material that is self-
20 produced, the sum of—

21 (i) all expenses incurred in the pro-
22 duction of the material, including general
23 expenses; and

1 (ii) an amount for profit equivalent to
2 the profit added in the normal course of
3 trade.

4 (2) FURTHER ADJUSTMENTS TO THE VALUE OF
5 MATERIALS.—

6 (A) ORIGINATING MATERIAL.—The fol-
7 lowing expenses, if not included in the value of
8 an originating material calculated under para-
9 graph (1), may be added to the value of the
10 originating material:

11 (i) The costs of freight, insurance,
12 packing, and all other costs incurred in
13 transporting the material within or be-
14 tween the territory of Peru, the United
15 States, or both, to the location of the pro-
16 ducer.

17 (ii) Duties, taxes, and customs broker-
18 age fees on the material paid in the terri-
19 tory of Peru, the United States, or both,
20 other than duties or taxes that are waived,
21 refunded, refundable, or otherwise recover-
22 able, including credit against duty or tax
23 paid or payable.

24 (iii) The cost of waste and spoilage re-
25 sulting from the use of the material in the

1 production of the good, less the value of
2 renewable scrap or byproducts.

3 (B) NONORIGINATING MATERIAL.—The
4 following expenses, if included in the value of a
5 nonoriginating material calculated under para-
6 graph (1), may be deducted from the value of
7 the nonoriginating material:

8 (i) The costs of freight, insurance,
9 packing, and all other costs incurred in
10 transporting the material within or be-
11 tween the territory of Peru, the United
12 States, or both, to the location of the pro-
13 ducer.

14 (ii) Duties, taxes, and customs broker-
15 age fees on the material paid in the terri-
16 tory of Peru, the United States, or both,
17 other than duties or taxes that are waived,
18 refunded, refundable, or otherwise recover-
19 able, including credit against duty or tax
20 paid or payable.

21 (iii) The cost of waste and spoilage re-
22 sulting from the use of the material in the
23 production of the good, less the value of
24 renewable scrap or byproducts.

1 (iv) The cost of originating materials
2 used in the production of the nonorigi-
3 nating material in the territory of Peru,
4 the United States, or both.

5 (e) ACCUMULATION.—

6 (1) ORIGINATING MATERIALS USED IN PRODUC-
7 TION OF GOODS OF ANOTHER COUNTRY.—Orig-
8 inating materials from the territory of Peru or the
9 United States that are used in the production of a
10 good in the territory of the other country shall be
11 considered to originate in the territory of such other
12 country.

13 (2) MULTIPLE PRODUCERS.—A good that is
14 produced in the territory of Peru, the United States,
15 or both, by 1 or more producers, is an originating
16 good if the good satisfies the requirements of sub-
17 section (b) and all other applicable requirements of
18 this section.

19 (f) DE MINIMIS AMOUNTS OF NONORIGINATING MA-
20 TERIALS.—

21 (1) IN GENERAL.—Except as provided in para-
22 graphs (2) and (3), a good that does not undergo a
23 change in tariff classification pursuant to Annex 4.1
24 of the Agreement is an originating good if—

1 (A)(i) the value of all nonoriginating mate-
2 rials that—

3 (I) are used in the production of the
4 good, and

5 (II) do not undergo the applicable
6 change in tariff classification (set forth in
7 Annex 4.1 of the Agreement),
8 does not exceed 10 percent of the adjusted
9 value of the good;

10 (ii) the good meets all other applicable re-
11 quirements of this section; and

12 (iii) the value of such nonoriginating mate-
13 rials is included in the value of nonoriginating
14 materials for any applicable regional value-con-
15 tent requirement for the good; or

16 (B) the good meets the requirements set
17 forth in paragraph 2 of Annex 4.6 of the Agree-
18 ment.

19 (2) EXCEPTIONS.—Paragraph (1) does not
20 apply to the following:

21 (A) A nonoriginating material provided for
22 in chapter 4, or a nonoriginating dairy prepara-
23 tion containing over 10 percent by weight of
24 milk solids provided for in subheading 1901.90

1 or 2106.90, that is used in the production of a
2 good provided for in chapter 4.

3 (B) A nonoriginating material provided for
4 in chapter 4, or a nonoriginating dairy prepara-
5 tion containing over 10 percent by weight of
6 milk solids provided for in subheading 1901.90,
7 that is used in the production of any of the fol-
8 lowing goods:

9 (i) Infant preparations containing
10 over 10 percent by weight of milk solids
11 provided for in subheading 1901.10.

12 (ii) Mixes and doughs, containing over
13 25 percent by weight of butterfat, not put
14 up for retail sale, provided for in sub-
15 heading 1901.20.

16 (iii) Dairy preparations containing
17 over 10 percent by weight of milk solids
18 provided for in subheading 1901.90 or
19 2106.90.

20 (iv) Goods provided for in heading
21 2105.

22 (v) Beverages containing milk pro-
23 vided for in subheading 2202.90.

1 (vi) Animal feeds containing over 10
2 percent by weight of milk solids provided
3 for in subheading 2309.90.

4 (C) A nonoriginating material provided for
5 in heading 0805, or any of subheadings
6 2009.11 through 2009.39, that is used in the
7 production of a good provided for in any of sub-
8 headings 2009.11 through 2009.39, or in fruit
9 or vegetable juice of any single fruit or vege-
10 table, fortified with minerals or vitamins, con-
11 centrated or unconcentrated, provided for in
12 subheading 2106.90 or 2202.90.

13 (D) A nonoriginating material provided for
14 in heading 0901 or 2101 that is used in the
15 production of a good provided for in heading
16 0901 or 2101.

17 (E) A nonoriginating material provided for
18 in chapter 15 that is used in the production of
19 a good provided for in any of headings 1501
20 through 1508, or any of headings 1511 through
21 1515.

22 (F) A nonoriginating material provided for
23 in heading 1701 that is used in the production
24 of a good provided for in any of headings 1701
25 through 1703.

1 (G) A nonoriginating material provided for
2 in chapter 17 that is used in the production of
3 a good provided for in subheading 1806.10.

4 (H) Except as provided in subparagraphs
5 (A) through (G) and Annex 4.1 of the Agree-
6 ment, a nonoriginating material used in the
7 production of a good provided for in any of
8 chapters 1 through 24, unless the nonorigi-
9 nating material is provided for in a different
10 subheading than the good for which origin is
11 being determined under this section.

12 (I) A nonoriginating material that is a tex-
13 tile or apparel good.

14 (3) TEXTILE OR APPAREL GOODS.—

15 (A) IN GENERAL.—Except as provided in
16 subparagraph (B), a textile or apparel good
17 that is not an originating good because certain
18 fibers or yarns used in the production of the
19 component of the good that determines the tar-
20 iff classification of the good do not undergo an
21 applicable change in tariff classification, set
22 forth in Annex 3–A of the Agreement, shall be
23 considered to be an originating good if—

24 (i) the total weight of all such fibers
25 or yarns in that component is not more

1 than 10 percent of the total weight of that
2 component; or

3 (ii) the yarns are those described in
4 section 204(b)(3)(B)(vi)(IV) of the Andean
5 Trade Preference Act (19 U.S.C.
6 3203(b)(3)(B)(vi)(IV)) (as in effect on the
7 date of the enactment of this Act).

8 (B) CERTAIN TEXTILE OR APPAREL
9 GOODS.—A textile or apparel good containing
10 elastomeric yarns in the component of the good
11 that determines the tariff classification of the
12 good shall be considered to be an originating
13 good only if such yarns are wholly formed in
14 the territory of Peru, the United States, or
15 both.

16 (C) YARN, FABRIC, OR FIBER.—For pur-
17 poses of this paragraph, in the case of a good
18 that is a yarn, fabric, or fiber, the term “com-
19 ponent of the good that determines the tariff
20 classification of the good” means all of the fi-
21 bers in the good.

22 (g) FUNGIBLE GOODS AND MATERIALS.—

23 (1) IN GENERAL.—

24 (A) CLAIM FOR PREFERENTIAL TARIFF
25 TREATMENT.—A person claiming that a fun-

1 fungible good or fungible material is an originating
2 good may base the claim either on the physical
3 segregation of the fungible good or fungible ma-
4 terial or by using an inventory management
5 method with respect to the fungible good or
6 fungible material.

7 (B) INVENTORY MANAGEMENT METHOD.—

8 In this subsection, the term “inventory manage-
9 ment method” means—

- 10 (i) averaging;
11 (ii) “last-in, first-out”;
12 (iii) “first-in, first-out”; or
13 (iv) any other method—

14 (I) recognized in the generally
15 accepted accounting principles of the
16 country in which the production is
17 performed (whether Peru or the
18 United States); or

19 (II) otherwise accepted by that
20 country.

21 (2) ELECTION OF INVENTORY METHOD.—A

22 person selecting an inventory management method
23 under paragraph (1) for a particular fungible good
24 or fungible material shall continue to use that meth-

1 od for that fungible good or fungible material
2 throughout the fiscal year of such person.

3 (h) ACCESSORIES, SPARE PARTS, OR TOOLS.—

4 (1) IN GENERAL.—Subject to paragraphs (2)
5 and (3), accessories, spare parts, or tools delivered
6 with a good that form part of the good’s standard
7 accessories, spare parts, or tools shall—

8 (A) be treated as originating goods if the
9 good is an originating good; and

10 (B) be disregarded in determining whether
11 all the nonoriginating materials used in the pro-
12 duction of the good undergo the applicable
13 change in tariff classification set forth in Annex
14 4.1 of the Agreement.

15 (2) CONDITIONS.—Paragraph (1) shall apply
16 only if—

17 (A) the accessories, spare parts, or tools
18 are classified with and not invoiced separately
19 from the good, regardless of whether such ac-
20 cessories, spare parts, or tools are specified or
21 are separately identified in the invoice for the
22 good; and

23 (B) the quantities and value of the acces-
24 sories, spare parts, or tools are customary for
25 the good.

1 (3) REGIONAL VALUE-CONTENT.—If the good is
2 subject to a regional value-content requirement, the
3 value of the accessories, spare parts, or tools shall
4 be taken into account as originating or nonorigi-
5 nating materials, as the case may be, in calculating
6 the regional value-content of the good.

7 (i) PACKAGING MATERIALS AND CONTAINERS FOR
8 RETAIL SALE.—Packaging materials and containers in
9 which a good is packaged for retail sale, if classified with
10 the good, shall be disregarded in determining whether all
11 the nonoriginating materials used in the production of the
12 good undergo the applicable change in tariff classification
13 set forth in Annex 3–A or Annex 4.1 of the Agreement,
14 and, if the good is subject to a regional value-content re-
15 quirement, the value of such packaging materials and con-
16 tainers shall be taken into account as originating or non-
17 originating materials, as the case may be, in calculating
18 the regional value-content of the good.

19 (j) PACKING MATERIALS AND CONTAINERS FOR
20 SHIPMENT.—Packing materials and containers for ship-
21 ment shall be disregarded in determining whether a good
22 is an originating good.

23 (k) INDIRECT MATERIALS.—An indirect material
24 shall be treated as an originating material without regard
25 to where it is produced.

1 (l) TRANSIT AND TRANSHIPMENT.—A good that has
2 undergone production necessary to qualify as an origi-
3 nating good under subsection (b) shall not be considered
4 to be an originating good if, subsequent to that produc-
5 tion, the good—

6 (1) undergoes further production or any other
7 operation outside the territory of Peru or the United
8 States, other than unloading, reloading, or any other
9 operation necessary to preserve the good in good
10 condition or to transport the good to the territory of
11 Peru or the United States; or

12 (2) does not remain under the control of cus-
13 toms authorities in the territory of a country other
14 than Peru or the United States.

15 (m) GOODS CLASSIFIABLE AS GOODS PUT UP IN
16 SETS.—Notwithstanding the rules set forth in Annex 3–
17 A and Annex 4.1 of the Agreement, goods classifiable as
18 goods put up in sets for retail sale as provided for in Gen-
19 eral Rule of Interpretation 3 of the HTS shall not be con-
20 sidered to be originating goods unless—

21 (1) each of the goods in the set is an origi-
22 nating good; or

23 (2) the total value of the nonoriginating goods
24 in the set does not exceed—

1 (A) in the case of textile or apparel goods,
2 10 percent of the adjusted value of the set; or

3 (B) in the case of a good, other than a tex-
4 tile or apparel good, 15 percent of the adjusted
5 value of the set.

6 (n) DEFINITIONS.—In this section:

7 (1) ADJUSTED VALUE.—The term “adjusted
8 value” means the value determined in accordance
9 with Articles 1 through 8, Article 15, and the cor-
10 responding interpretive notes, of the Agreement on
11 Implementation of Article VII of the General Agree-
12 ment on Tariffs and Trade 1994 referred to in sec-
13 tion 101(d)(8) of the Uruguay Round Agreements
14 Act (19 U.S.C. 3511(d)(8)), adjusted, if necessary,
15 to exclude any costs, charges, or expenses incurred
16 for transportation, insurance, and related services
17 incident to the international shipment of the mer-
18 chandise from the country of exportation to the
19 place of importation.

20 (2) CLASS OF MOTOR VEHICLES.—The term
21 “class of motor vehicles” means any one of the fol-
22 lowing categories of motor vehicles:

23 (A) Motor vehicles provided for in sub-
24 heading 8701.20, 8704.10, 8704.22, 8704.23,
25 8704.32, or 8704.90, or heading 8705 or 8706,

1 or motor vehicles for the transport of 16 or
2 more persons provided for in subheading
3 8702.10 or 8702.90.

4 (B) Motor vehicles provided for in sub-
5 heading 8701.10 or any of subheadings
6 8701.30 through 8701.90.

7 (C) Motor vehicles for the transport of 15
8 or fewer persons provided for in subheading
9 8702.10 or 8702.90, or motor vehicles provided
10 for in subheading 8704.21 or 8704.31.

11 (D) Motor vehicles provided for in any of
12 subheadings 8703.21 through 8703.90.

13 (3) FUNGIBLE GOOD OR FUNGIBLE MATE-
14 RIAL.—The term “fungible good” or “fungible mate-
15 rial” means a good or material, as the case may be,
16 that is interchangeable with another good or mate-
17 rial for commercial purposes and the properties of
18 which are essentially identical to such other good or
19 material.

20 (4) GENERALLY ACCEPTED ACCOUNTING PRIN-
21 CIPLES.—The term “generally accepted accounting
22 principles” means the recognized consensus or sub-
23 stantial authoritative support in the territory of
24 Peru or the United States, as the case may be, with
25 respect to the recording of revenues, expenses, costs,

1 assets, and liabilities, the disclosure of information,
2 and the preparation of financial statements. The
3 principles may encompass broad guidelines of gen-
4 eral application as well as detailed standards, prac-
5 tices, and procedures.

6 (5) GOOD WHOLLY OBTAINED OR PRODUCED
7 ENTIRELY IN THE TERRITORY OF PERU, THE
8 UNITED STATES, OR BOTH.—The term “good wholly
9 obtained or produced entirely in the territory of
10 Peru, the United States, or both” means any of the
11 following:

12 (A) Plants and plant products harvested or
13 gathered in the territory of Peru, the United
14 States, or both.

15 (B) Live animals born and raised in the
16 territory of Peru, the United States, or both.

17 (C) Goods obtained in the territory of
18 Peru, the United States, or both from live ani-
19 mals.

20 (D) Goods obtained from hunting, trap-
21 ping, fishing, or aquaculture conducted in the
22 territory of Peru, the United States, or both.

23 (E) Minerals and other natural resources
24 not included in subparagraphs (A) through (D)

1 that are extracted or taken from the territory
2 of Peru, the United States, or both.

3 (F) Fish, shellfish, and other marine life
4 taken from the sea, seabed, or subsoil outside
5 the territory of Peru or the United States by—

6 (i) a vessel that is registered or re-
7 corded with Peru and flying the flag of
8 Peru; or

9 (ii) a vessel that is documented under
10 the laws of the United States.

11 (G) Goods produced on board a factory
12 ship from goods referred to in subparagraph
13 (F), if such factory ship—

14 (i) is registered or recorded with Peru
15 and flies the flag of Peru; or

16 (ii) is a vessel that is documented
17 under the laws of the United States.

18 (H)(i) Goods taken by Peru or a person of
19 Peru from the seabed or subsoil outside the ter-
20 ritorial waters of Peru, if Peru has rights to ex-
21 ploit such seabed or subsoil.

22 (ii) Goods taken by the United States or a
23 person of the United States from the seabed or
24 subsoil outside the territorial waters of the

1 United States, if the United States has rights
2 to exploit such seabed or subsoil.

3 (I) Goods taken from outer space, if the
4 goods are obtained by Peru or the United
5 States or a person of Peru or the United States
6 and not processed in the territory of a country
7 other than Peru or the United States.

8 (J) Waste and scrap derived from—

9 (i) manufacturing or processing oper-
10 ations in the territory of Peru, the United
11 States, or both; or

12 (ii) used goods collected in the terri-
13 tory of Peru, the United States, or both, if
14 such goods are fit only for the recovery of
15 raw materials.

16 (K) Recovered goods derived in the terri-
17 tory of Peru, the United States, or both, from
18 used goods, and used in the territory of Peru,
19 the United States, or both, in the production of
20 remanufactured goods.

21 (L) Goods, at any stage of production, pro-
22 duced in the territory of Peru, the United
23 States, or both, exclusively from—

24 (i) goods referred to in any of sub-
25 paragraphs (A) through (J), or

1 (ii) the derivatives of goods referred
2 to in clause (i).

3 (6) IDENTICAL GOODS.—The term “identical
4 goods” means goods that are the same in all re-
5 spects relevant to the rule of origin that qualifies the
6 goods as originating goods.

7 (7) INDIRECT MATERIAL.—The term “indirect
8 material” means a good used in the production, test-
9 ing, or inspection of another good but not physically
10 incorporated into that other good, or a good used in
11 the maintenance of buildings or the operation of
12 equipment associated with the production of another
13 good, including—

14 (A) fuel and energy;

15 (B) tools, dies, and molds;

16 (C) spare parts and materials used in the
17 maintenance of equipment or buildings;

18 (D) lubricants, greases, compounding ma-
19 terials, and other materials used in production
20 or used to operate equipment or buildings;

21 (E) gloves, glasses, footwear, clothing,
22 safety equipment, and supplies;

23 (F) equipment, devices, and supplies used
24 for testing or inspecting the good;

25 (G) catalysts and solvents; and

1 (H) any other goods that are not incor-
2 porated into the other good but the use of
3 which in the production of the other good can
4 reasonably be demonstrated to be a part of that
5 production.

6 (8) MATERIAL.—The term “material” means a
7 good that is used in the production of another good,
8 including a part or an ingredient.

9 (9) MATERIAL THAT IS SELF-PRODUCED.—The
10 term “material that is self-produced” means an orig-
11 inating material that is produced by a producer of
12 a good and used in the production of that good.

13 (10) MODEL LINE OF MOTOR VEHICLES.—The
14 term “model line of motor vehicles” means a group
15 of motor vehicles having the same platform or model
16 name.

17 (11) NET COST.—The term “net cost” means
18 total cost minus sales promotion, marketing, and
19 after-sales service costs, royalties, shipping and
20 packing costs, and non-allowable interest costs that
21 are included in the total cost.

22 (12) NONALLOWABLE INTEREST COSTS.—The
23 term “nonallowable interest costs” means interest
24 costs incurred by a producer that exceed 700 basis
25 points above the applicable official interest rate for

1 comparable maturities of the country in which the
2 producer is located.

3 (13) NONORIGINATING GOOD OR NONORIGI-
4 NATING MATERIAL.—The terms “nonoriginating
5 good” and “nonoriginating material” mean a good
6 or material, as the case may be, that does not qual-
7 ify as originating under this section.

8 (14) PACKING MATERIALS AND CONTAINERS
9 FOR SHIPMENT.—The term “packing materials and
10 containers for shipment” means goods used to pro-
11 tect another good during its transportation and does
12 not include the packaging materials and containers
13 in which the other good is packaged for retail sale.

14 (15) PREFERENTIAL TARIFF TREATMENT.—
15 The term “preferential tariff treatment” means the
16 customs duty rate, and the treatment under article
17 2.10.4 of the Agreement, that are applicable to an
18 originating good pursuant to the Agreement.

19 (16) PRODUCER.—The term “producer” means
20 a person who engages in the production of a good
21 in the territory of Peru or the United States.

22 (17) PRODUCTION.—The term “production”
23 means growing, mining, harvesting, fishing, raising,
24 trapping, hunting, manufacturing, processing, as-
25 sembling, or disassembling a good.

1 (18) REASONABLY ALLOCATE.—The term “rea-
2 sonably allocate” means to apportion in a manner
3 that would be appropriate under generally accepted
4 accounting principles.

5 (19) RECOVERED GOODS.—The term “recov-
6 ered goods” means materials in the form of indi-
7 vidual parts that are the result of—

8 (A) the disassembly of used goods into in-
9 dividual parts; and

10 (B) the cleaning, inspecting, testing, or
11 other processing that is necessary for improve-
12 ment to sound working condition of such indi-
13 vidual parts.

14 (20) REMANUFACTURED GOOD.—The term “re-
15 manufactured good” means an industrial good as-
16 sembled in the territory of Peru or the United
17 States, or both, that is classified under chapter 84,
18 85, 87, or 90 or heading 9402, other than a good
19 classified under heading 8418 or 8516, and that—

20 (A) is entirely or partially comprised of re-
21 covered goods; and

22 (B) has a similar life expectancy and en-
23 joys a factory warranty similar to such a good
24 that is new.

25 (21) TOTAL COST.—

1 (A) IN GENERAL.—The term “total
2 cost”—

3 (i) means all product costs, period
4 costs, and other costs for a good incurred
5 in the territory of Peru, the United States,
6 or both; and

7 (ii) does not include profits that are
8 earned by the producer, regardless of
9 whether they are retained by the producer
10 or paid out to other persons as dividends,
11 or taxes paid on those profits, including
12 capital gains taxes.

13 (B) OTHER DEFINITIONS.—In this para-
14 graph:

15 (i) PRODUCT COSTS.—The term
16 “product costs” means costs that are asso-
17 ciated with the production of a good and
18 include the value of materials, direct labor
19 costs, and direct overhead.

20 (ii) PERIOD COSTS.—The term “pe-
21 riod costs” means costs, other than prod-
22 uct costs, that are expensed in the period
23 in which they are incurred, such as selling
24 expenses and general and administrative
25 expenses.

1 (iii) OTHER COSTS.—The term “other
2 costs” means all costs recorded on the
3 books of the producer that are not product
4 costs or period costs, such as interest.

5 (22) USED.—The term “used” means utilized
6 or consumed in the production of goods.

7 (o) PRESIDENTIAL PROCLAMATION AUTHORITY.—

8 (1) IN GENERAL.—The President is authorized
9 to proclaim, as part of the HTS—

10 (A) the provisions set forth in Annex 3–A
11 and Annex 4.1 of the Agreement; and

12 (B) any additional subordinate category
13 that is necessary to carry out this title con-
14 sistent with the Agreement.

15 (2) FABRICS AND YARNS NOT AVAILABLE IN
16 COMMERCIAL QUANTITIES IN THE UNITED
17 STATES.—The President is authorized to proclaim
18 that a fabric or yarn is added to the list in Annex
19 3–B of the Agreement in an unrestricted quantity,
20 as provided in article 3.3.5(e) of the Agreement.

21 (3) MODIFICATIONS.—

22 (A) IN GENERAL.—Subject to the consulta-
23 tion and layover provisions of section 104, the
24 President may proclaim modifications to the
25 provisions proclaimed under the authority of

paragraph (1)(A), other than provisions of chapters 50 through 63 (as included in Annex 3–A of the Agreement).

(B) ADDITIONAL PROCLAMATIONS.—Notwithstanding subparagraph (A), and subject to the consultation and layover provisions of section 104, the President may proclaim before the end of the 1-year period beginning on the date of the enactment of this Act, modifications to correct any typographical, clerical, or other non-substantive technical error regarding the provisions of chapters 50 through 63 (as included in Annex 3–A of the Agreement).

(4) FABRICS, YARNS, OR FIBERS NOT AVAILABLE IN COMMERCIAL QUANTITIES IN PERU AND THE UNITED STATES.—

(A) IN GENERAL.—Notwithstanding paragraph (3)(A), the list of fabrics, yarns, and fibers set forth in Annex 3–B of the Agreement may be modified as provided for in this paragraph.

(B) DEFINITIONS.—In this paragraph:

(i) The term “interested entity” means the Government of Peru, a potential or actual purchaser of a textile or apparel

1 good, or a potential or actual supplier of a
2 textile or apparel good.

3 (ii) All references to “day” and
4 “days” exclude Saturdays, Sundays, and
5 legal holidays observed by the Government
6 of the United States.

7 (C) REQUESTS TO ADD FABRICS, YARNS,
8 OR FIBERS.—(i) An interested entity may re-
9 quest the President to determine that a fabric,
10 yarn, or fiber is not available in commercial
11 quantities in a timely manner in Peru and the
12 United States and to add that fabric, yarn, or
13 fiber to the list in Annex 3–B of the Agreement
14 in a restricted or unrestricted quantity.

15 (ii) After receiving a request under clause
16 (i), the President may determine whether—

17 (I) the fabric, yarn, or fiber is avail-
18 able in commercial quantities in a timely
19 manner in Peru or the United States; or

20 (II) any interested entity objects to
21 the request.

22 (iii) The President may, within the time
23 periods specified in clause (iv), proclaim that
24 the fabric, yarn, or fiber that is the subject of
25 the request is added to the list in Annex 3–B

1 of the Agreement in an unrestricted quantity,
2 or in any restricted quantity that the President
3 may establish, if the President has determined
4 under clause (ii) that—

5 (I) the fabric, yarn, or fiber is not
6 available in commercial quantities in a
7 timely manner in Peru and the United
8 States; or

9 (II) no interested entity has objected
10 to the request.

11 (iv) The time periods within which the
12 President may issue a proclamation under
13 clause (iii) are—

14 (I) not later than 30 days after the
15 date on which a request is submitted under
16 clause (i); or

17 (II) not later than 44 days after the
18 request is submitted, if the President de-
19 termines, within 30 days after the date on
20 which the request is submitted, that the
21 President does not have sufficient informa-
22 tion to make a determination under clause
23 (ii).

24 (v) Notwithstanding section 103(a)(2), a
25 proclamation made under clause (iii) shall take

1 effect on the date on which the text of the proc-
2 lamation is published in the Federal Register.

3 (vi) Not later than 6 months after pro-
4 claiming under clause (iii) that a fabric, yarn,
5 or fiber is added to the list in Annex 3–B of the
6 Agreement in a restricted quantity, the Presi-
7 dent may eliminate the restriction if the Presi-
8 dent determines that the fabric, yarn, or fiber
9 is not available in commercial quantities in a
10 timely manner in Peru and the United States.

11 (D) DEEMED APPROVAL OF REQUEST.—If,
12 after an interested entity submits a request
13 under subparagraph (C)(i), the President does
14 not, within the applicable time period specified
15 in subparagraph (C)(iv), make a determination
16 under subparagraph (C)(ii) regarding the re-
17 quest, the fabric, yarn, or fiber that is the sub-
18 ject of the request shall be considered to be
19 added, in an unrestricted quantity, to the list in
20 Annex 3–B of the Agreement beginning—

21 (i) 45 days after the date on which
22 the request was submitted; or

23 (ii) 60 days after the date on which
24 the request was submitted, if the President

1 made a determination under subparagraph
2 (C)(iv)(II).

3 (E) REQUESTS TO RESTRICT OR REMOVE
4 FABRICS, YARNS, OR FIBERS.—(i) Subject to
5 clause (ii), an interested entity may request the
6 President to restrict the quantity of, or remove
7 from the list in Annex 3–B of the Agreement,
8 any fabric, yarn, or fiber—

9 (I) that has been added to that list in
10 an unrestricted quantity pursuant to para-
11 graph (2) or subparagraph (C)(iii) or (D)
12 of this paragraph; or

13 (II) with respect to which the Presi-
14 dent has eliminated a restriction under
15 subparagraph (C)(vi).

16 (ii) An interested entity may submit a re-
17 quest under clause (i) at any time beginning 6
18 months after the date of the action described in
19 subclause (I) or (II) of that clause.

20 (iii) Not later than 30 days after the date
21 on which a request under clause (i) is sub-
22 mitted, the President may proclaim an action
23 provided for under clause (i) if the President
24 determines that the fabric, yarn, or fiber that
25 is the subject of the request is available in com-

mercials quantities in a timely manner in Peru
or the United States.

(iv) A proclamation under clause (iii) shall
take effect no earlier than the date that is 6
months after the date on which the text of the
proclamation is published in the Federal Reg-
ister.

(F) PROCEDURES.—The President shall
establish procedures—

(i) governing the submission of a re-
quest under subparagraphs (C) and (E);
and

(ii) providing an opportunity for inter-
ested entities to submit comments and sup-
porting evidence before the President
makes a determination under subpara-
graph (C) (ii) or (vi) or (E)(iii).

SEC. 204. CUSTOMS USER FEES.

Section 13031(b) of the Consolidated Omnibus Budg-
et Reconciliation Act of 1985 (19 U.S.C. 58c(b)) is
amended by adding after paragraph (17) the following:

“(18) No fee may be charged under subsection (a)
(9) or (10) with respect to goods that qualify as origi-
nating goods under section 203 of the United States-Peru
Trade Promotion Agreement Implementation Act. Any

1 service for which an exemption from such fee is provided
 2 by reason of this paragraph may not be funded with
 3 money contained in the Customs User Fee Account.”.

4 **SEC. 205. DISCLOSURE OF INCORRECT INFORMATION;**
 5 **FALSE CERTIFICATIONS OF ORIGIN; DENIAL**
 6 **OF PREFERENTIAL TARIFF TREATMENT.**

7 (a) DISCLOSURE OF INCORRECT INFORMATION.—
 8 Section 592 of the Tariff Act of 1930 (19 U.S.C. 1592)
 9 is amended—

10 (1) in subsection (c)—

11 (A) by redesignating paragraph (10) as
 12 paragraph (11); and

13 (B) by inserting after paragraph (9) the
 14 following new paragraph:

15 “(10) PRIOR DISCLOSURE REGARDING CLAIMS
 16 UNDER THE UNITED STATES–PERU TRADE PRO-
 17 MOTION AGREEMENT.—An importer shall not be
 18 subject to penalties under subsection (a) for making
 19 an incorrect claim that a good qualifies as an origi-
 20 nating good under section 203 of the United States-
 21 Peru Trade Promotion Agreement Implementation
 22 Act if the importer, in accordance with regulations
 23 issued by the Secretary of the Treasury, promptly
 24 and voluntarily makes a corrected declaration and

1 pays any duties owing with respect to that good.”;
2 and

3 (2) by adding at the end the following new sub-
4 section:

5 “(i) FALSE CERTIFICATIONS OF ORIGIN UNDER THE
6 UNITED STATES-PERU TRADE PROMOTION AGREE-
7 MENT.—

8 “(1) IN GENERAL.—Subject to paragraph (2),
9 it is unlawful for any person to certify falsely, by
10 fraud, gross negligence, or negligence, in a PTPA
11 certification of origin (as defined in section
12 508(h)(1)(B) of this Act) that a good exported from
13 the United States qualifies as an originating good
14 under the rules of origin provided for in section 203
15 of the United States-Peru Trade Promotion Agree-
16 ment Implementation Act. The procedures and pen-
17 alties of this section that apply to a violation of sub-
18 section (a) also apply to a violation of this sub-
19 section.

20 “(2) PROMPT AND VOLUNTARY DISCLOSURE OF
21 INCORRECT INFORMATION.—No penalty shall be im-
22 posed under this subsection if, promptly after an ex-
23 porter or producer that issued a PTPA certification
24 of origin has reason to believe that such certification
25 contains or is based on incorrect information, the ex-

1 porter or producer voluntarily provides written no-
 2 tice of such incorrect information to every person to
 3 whom the certification was issued.

4 “(3) EXCEPTION.—A person shall not be con-
 5 sidered to have violated paragraph (1) if—

6 “(A) the information was correct at the
 7 time it was provided in a PTPA certification of
 8 origin but was later rendered incorrect due to
 9 a change in circumstances; and

10 “(B) the person promptly and voluntarily
 11 provides written notice of the change in cir-
 12 cumstances to all persons to whom the person
 13 provided the certification.”.

14 (b) DENIAL OF PREFERENTIAL TARIFF TREAT-
 15 MENT.—Section 514 of the Tariff Act of 1930 (19 U.S.C.
 16 1514) is amended by adding at the end the following new
 17 subsection:

18 “(i) DENIAL OF PREFERENTIAL TARIFF TREATMENT
 19 UNDER THE UNITED STATES-PERU TRADE PROMOTION
 20 AGREEMENT.—If U.S. Customs and Border Protection or
 21 U.S. Immigration and Customs Enforcement of the De-
 22 partment of Homeland Security finds indications of a pat-
 23 tern of conduct by an importer, exporter, or producer of
 24 false or unsupported representations that goods qualify
 25 under the rules of origin provided for in section 203 of

1 the United States-Peru Trade Promotion Agreement Im-
2 plementation Act, U.S. Customs and Border Protection,
3 in accordance with regulations issued by the Secretary of
4 the Treasury, may suspend preferential tariff treatment
5 under the United States-Peru Trade Promotion Agree-
6 ment to entries of identical goods covered by subsequent
7 representations by that importer, exporter, or producer
8 until U.S. Customs and Border Protection determines that
9 representations of that person are in conformity with such
10 section 203.”.

11 **SEC. 206. RELIQUIDATION OF ENTRIES.**

12 Subsection (d) of section 520 of the Tariff Act of
13 1930 (19 U.S.C. 1520(d)) is amended in the matter pre-
14 ceding paragraph (1)—

15 (1) by striking “or”; and

16 (2) by striking “for which” and inserting “, or
17 section 203 of the United States-Peru Trade Pro-
18 motion Agreement Implementation Act for which”.

19 **SEC. 207. RECORDKEEPING REQUIREMENTS.**

20 Section 508 of the Tariff Act of 1930 (19 U.S.C.
21 1508) is amended—

22 (1) by redesignating subsection (h) as sub-
23 section (i);

24 (2) by inserting after subsection (g) the fol-
25 lowing new subsection:

1 “(h) CERTIFICATIONS OF ORIGIN FOR GOODS EX-
2 PORTED UNDER THE UNITED STATES-PERU TRADE PRO-
3 MOTION AGREEMENT.—

4 “(1) DEFINITIONS.—In this subsection:

5 “(A) RECORDS AND SUPPORTING DOCU-
6 MENTS.—The term ‘records and supporting
7 documents’ means, with respect to an exported
8 good under paragraph (2), records and docu-
9 ments related to the origin of the good, includ-
10 ing—

11 “(i) the purchase, cost, and value of,
12 and payment for, the good;

13 “(ii) the purchase, cost, and value of,
14 and payment for, all materials, including
15 indirect materials, used in the production
16 of the good; and

17 “(iii) the production of the good in
18 the form in which it was exported.

19 “(B) PTPA CERTIFICATION OF ORIGIN.—

20 The term ‘PTPA certification of origin’ means
21 the certification established under article 4.15
22 of the United States-Peru Trade Promotion
23 Agreement that a good qualifies as an origi-
24 nating good under such Agreement.

1 “(2) EXPORTS TO PERU.—Any person who
 2 completes and issues a PTPA certification of origin
 3 for a good exported from the United States shall
 4 make, keep, and, pursuant to rules and regulations
 5 promulgated by the Secretary of the Treasury,
 6 render for examination and inspection all records
 7 and supporting documents related to the origin of
 8 the good (including the certification or copies there-
 9 of).

10 “(3) RETENTION PERIOD.—The person who
 11 issues a PTPA certification of origin shall keep the
 12 records and supporting documents relating to that
 13 certification of origin for a period of at least 5 years
 14 after the date on which the certification is issued.”;
 15 and

16 (3) in subsection (i), as so redesignated—

17 (A) by striking “(f) or (g)” and inserting
 18 “(f), (g), or (h)”; and

19 (B) by striking “either such subsection”
 20 and inserting “any such subsection”.

21 **SEC. 208. ENFORCEMENT RELATING TO TRADE IN TEXTILE**
 22 **OR APPAREL GOODS.**

23 (a) ACTION DURING VERIFICATION.—

24 (1) IN GENERAL.—If the Secretary of the
 25 Treasury requests the Government of Peru to con-

1 duct a verification pursuant to article 3.2 of the
2 Agreement for purposes of making a determination
3 under paragraph (2), the President may direct the
4 Secretary to take appropriate action described in
5 subsection (b) while the verification is being con-
6 ducted.

7 (2) DETERMINATION.—A determination under
8 this paragraph is a determination of the Secretary
9 that—

10 (A) an exporter or producer in Peru is
11 complying with applicable customs laws, regula-
12 tions, and procedures regarding trade in textile
13 or apparel goods; or

14 (B) a claim that a textile or apparel good
15 exported or produced by such exporter or pro-
16 ducer—

17 (i) qualifies as an originating good
18 under section 203, or

19 (ii) is a good of Peru,
20 is accurate.

21 (b) APPROPRIATE ACTION DESCRIBED.—Appropriate
22 action under subsection (a)(1) includes—

23 (1) suspension of preferential tariff treatment
24 under the Agreement with respect to—

1 (A) any textile or apparel good exported or
2 produced by the person that is the subject of a
3 verification under subsection (a)(1) regarding
4 compliance described in subsection (a)(2)(A), if
5 the Secretary determines that there is insuffi-
6 cient information to support any claim for pref-
7 erential tariff treatment that has been made
8 with respect to any such good; or

9 (B) the textile or apparel good for which a
10 claim of preferential tariff treatment has been
11 made that is the subject of a verification under
12 subsection (a)(1) regarding a claim described in
13 subsection (a)(2)(B), if the Secretary deter-
14 mines that there is insufficient information to
15 support that claim;

16 (2) denial of preferential tariff treatment under
17 the Agreement with respect to—

18 (A) any textile or apparel good exported or
19 produced by the person that is the subject of a
20 verification under subsection (a)(1) regarding
21 compliance described in subsection (a)(2)(A), if
22 the Secretary determines that the person has
23 provided incorrect information to support any
24 claim for preferential tariff treatment that has
25 been made with respect to any such good; or

1 (B) the textile or apparel good for which a
2 claim of preferential tariff treatment has been
3 made that is the subject of a verification under
4 subsection (a)(1) regarding a claim described in
5 subsection (a)(2)(B), if the Secretary deter-
6 mines that a person has provided incorrect in-
7 formation to support that claim;

8 (3) detention of any textile or apparel good ex-
9 ported or produced by the person that is the subject
10 of a verification under subsection (a)(1) regarding
11 compliance described in subsection (a)(2)(A) or a
12 claim described in subsection (a)(2)(B), if the Sec-
13 retary determines that there is insufficient informa-
14 tion to determine the country of origin of any such
15 good; and

16 (4) denial of entry into the United States of
17 any textile or apparel good exported or produced by
18 the person that is the subject of a verification under
19 subsection (a)(1) regarding compliance described in
20 subsection (a)(2)(A) or a claim described in sub-
21 section (a)(2)(B), if the Secretary determines that
22 the person has provided incorrect information as to
23 the country of origin of any such good.

24 (c) ACTION ON COMPLETION OF A VERIFICATION.—
25 On completion of a verification under subsection (a), the

1 President may direct the Secretary to take appropriate ac-
2 tion described in subsection (d) until such time as the Sec-
3 retary receives information sufficient to make the deter-
4 mination under subsection (a)(2) or until such earlier date
5 as the President may direct.

6 (d) APPROPRIATE ACTION DESCRIBED.—Appro-
7 priate action under subsection (c) includes—

8 (1) denial of preferential tariff treatment under
9 the Agreement with respect to—

10 (A) any textile or apparel good exported or
11 produced by the person that is the subject of a
12 verification under subsection (a)(1) regarding
13 compliance described in subsection (a)(2)(A), if
14 the Secretary determines that there is insuffi-
15 cient information to support, or that the person
16 has provided incorrect information to support,
17 any claim for preferential tariff treatment that
18 has been made with respect to any such good;
19 or

20 (B) the textile or apparel good for which a
21 claim of preferential tariff treatment has been
22 made that is the subject of a verification under
23 subsection (a)(1) regarding a claim described in
24 subsection (a)(2)(B), if the Secretary deter-
25 mines that there is insufficient information to

1 support, or that a person has provided incorrect
2 information to support, that claim; and

3 (2) denial of entry into the United States of
4 any textile or apparel good exported or produced by
5 the person that is the subject of a verification under
6 subsection (a)(1) regarding compliance described in
7 subsection (a)(2)(A) or a claim described in sub-
8 section (a)(2)(B), if the Secretary determines that
9 there is insufficient information to determine, or
10 that the person has provided incorrect information
11 as to, the country of origin of any such good.

12 (e) PUBLICATION OF NAME OF PERSON.—In accord-
13 ance with article 3.2.6 of the Agreement, the Secretary
14 may publish the name of any person that the Secretary
15 has determined—

16 (1) is engaged in circumvention of applicable
17 laws, regulations, or procedures affecting trade in
18 textile or apparel goods; or

19 (2) has failed to demonstrate that it produces,
20 or is capable of producing, textile or apparel goods.

21 **SEC. 209. REGULATIONS.**

22 The Secretary of the Treasury shall prescribe such
23 regulations as may be necessary to carry out—

24 (1) subsections (a) through (n) of section 203;

25 (2) the amendment made by section 204; and

1 (3) any proclamation issued under section
2 203(o).

3 **TITLE III—RELIEF FROM**
4 **IMPORTS**

5 **SEC. 301. DEFINITIONS.**

6 In this title:

7 (1) PERUVIAN ARTICLE.—The term “Peruvian
8 article” means an article that qualifies as an origi-
9 nating good under section 203(b).

10 (2) PERUVIAN TEXTILE OR APPAREL ARTI-
11 CLE.—The term “Peruvian textile or apparel arti-
12 cle” means a textile or apparel good (as defined in
13 section 3(4)) that is a Peruvian article.

14 **Subtitle A—Relief From Imports**
15 **Benefiting From the Agreement**

16 **SEC. 311. COMMENCING OF ACTION FOR RELIEF.**

17 (a) FILING OF PETITION.—A petition requesting ac-
18 tion under this subtitle for the purpose of adjusting to
19 the obligations of the United States under the Agreement
20 may be filed with the Commission by an entity, including
21 a trade association, firm, certified or recognized union, or
22 group of workers, that is representative of an industry.
23 The Commission shall transmit a copy of any petition filed
24 under this subsection to the United States Trade Rep-
25 resentative.

1 (b) INVESTIGATION AND DETERMINATION.—Upon
2 the filing of a petition under subsection (a), the Commis-
3 sion, unless subsection (d) applies, shall promptly initiate
4 an investigation to determine whether, as a result of the
5 reduction or elimination of a duty provided for under the
6 Agreement, a Peruvian article is being imported into the
7 United States in such increased quantities, in absolute
8 terms or relative to domestic production, and under such
9 conditions that imports of the Peruvian article constitute
10 a substantial cause of serious injury or threat thereof to
11 the domestic industry producing an article that is like, or
12 directly competitive with, the imported article.

13 (c) APPLICABLE PROVISIONS.—The following provi-
14 sions of section 202 of the Trade Act of 1974 (19 U.S.C.
15 2252) apply with respect to any investigation initiated
16 under subsection (b):

17 (1) Paragraphs (1)(B) and (3) of subsection
18 (b).

19 (2) Subsection (c).

20 (3) Subsection (i).

21 (d) ARTICLES EXEMPT FROM INVESTIGATION.—No
22 investigation may be initiated under this section with re-
23 spect to any Peruvian article if, after the date on which
24 the Agreement enters into force, import relief has been

1 provided with respect to that Peruvian article under this
2 subtitle.

3 **SEC. 312. COMMISSION ACTION ON PETITION.**

4 (a) DETERMINATION.—Not later than 120 days after
5 the date on which an investigation is initiated under sec-
6 tion 311(b) with respect to a petition, the Commission
7 shall make the determination required under that section.

8 (b) APPLICABLE PROVISIONS.—For purposes of this
9 subtitle, the provisions of paragraphs (1), (2), and (3) of
10 section 330(d) of the Tariff Act of 1930 (19 U.S.C.
11 1330(d) (1), (2), and (3)) shall be applied with respect
12 to determinations and findings made under this section
13 as if such determinations and findings were made under
14 section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

15 (c) ADDITIONAL FINDING AND RECOMMENDATION IF
16 DETERMINATION AFFIRMATIVE.—

17 (1) IN GENERAL.—If the determination made
18 by the Commission under subsection (a) with respect
19 to imports of an article is affirmative, or if the
20 President may consider a determination of the Com-
21 mission to be an affirmative determination as pro-
22 vided for under paragraph (1) of section 330(d) of
23 the Tariff Act of 1930 (19 U.S.C. 1330(d)), the
24 Commission shall find, and recommend to the Presi-
25 dent in the report required under subsection (d), the

1 amount of import relief that is necessary to remedy
2 or prevent the injury found by the Commission in
3 the determination and to facilitate the efforts of the
4 domestic industry to make a positive adjustment to
5 import competition.

6 (2) LIMITATION ON RELIEF.—The import relief
7 recommended by the Commission under this sub-
8 section shall be limited to the relief described in sec-
9 tion 313(c).

10 (3) VOTING; SEPARATE VIEWS.—Only those
11 members of the Commission who voted in the af-
12 firmative under subsection (a) are eligible to vote on
13 the proposed action to remedy or prevent the injury
14 found by the Commission. Members of the Commis-
15 sion who did not vote in the affirmative may submit,
16 in the report required under subsection (d), separate
17 views regarding what action, if any, should be taken
18 to remedy or prevent the injury.

19 (d) REPORT TO PRESIDENT.—Not later than the
20 date that is 30 days after the date on which a determina-
21 tion is made under subsection (a) with respect to an inves-
22 tigation, the Commission shall submit to the President a
23 report that includes—

1 (1) the determination made under subsection
2 (a) and an explanation of the basis for the deter-
3 mination;

4 (2) if the determination under subsection (a) is
5 affirmative, any findings and recommendations for
6 import relief made under subsection (c) and an ex-
7 planation of the basis for each recommendation; and

8 (3) any dissenting or separate views by mem-
9 bers of the Commission regarding the determination
10 referred to in paragraph (1) and any finding or rec-
11 ommendation referred to in paragraph (2).

12 (e) PUBLIC NOTICE.—Upon submitting a report to
13 the President under subsection (d), the Commission shall
14 promptly make public the report (with the exception of
15 information which the Commission determines to be con-
16 fidential) and shall publish a summary of the report in
17 the Federal Register.

18 **SEC. 313. PROVISION OF RELIEF.**

19 (a) IN GENERAL.—Not later than the date that is
20 30 days after the date on which the President receives the
21 report of the Commission in which the Commission's de-
22 termination under section 312(a) is affirmative, or which
23 contains a determination under section 312(a) that the
24 President considers to be affirmative under paragraph (1)
25 of section 330(d) of the Tariff Act of 1930 (19 U.S.C.

1 1330(d)(1)), the President, subject to subsection (b), shall
 2 provide relief from imports of the article that is the subject
 3 of such determination to the extent that the President de-
 4 termines necessary to remedy or prevent the injury found
 5 by the Commission and to facilitate the efforts of the do-
 6 mestic industry to make a positive adjustment to import
 7 competition.

8 (b) EXCEPTION.—The President is not required to
 9 provide import relief under this section if the President
 10 determines that the provision of the import relief will not
 11 provide greater economic and social benefits than costs.

12 (c) NATURE OF RELIEF.—

13 (1) IN GENERAL.—The import relief that the
 14 President is authorized to provide under this section
 15 with respect to imports of an article is as follows:

16 (A) The suspension of any further reduc-
 17 tion provided for under Annex 2.3 of the Agree-
 18 ment in the duty imposed on the article.

19 (B) An increase in the rate of duty im-
 20 posed on the article to a level that does not ex-
 21 ceed the lesser of—

22 (i) the column 1 general rate of duty
 23 imposed under the HTS on like articles at
 24 the time the import relief is provided; or

1 (ii) the column 1 general rate of duty
2 imposed under the HTS on like articles on
3 the day before the date on which the
4 Agreement enters into force.

5 (2) PROGRESSIVE LIBERALIZATION.—If the pe-
6 riod for which import relief is provided under this
7 section is greater than 1 year, the President shall
8 provide for the progressive liberalization (described
9 in article 8.2.2 of the Agreement) of such relief at
10 regular intervals during the period of its application.

11 (d) PERIOD OF RELIEF.—

12 (1) IN GENERAL.—Subject to paragraph (2),
13 any import relief that the President provides under
14 this section may not be in effect for more than 2
15 years.

16 (2) EXTENSION.—

17 (A) IN GENERAL.—Subject to subpara-
18 graph (C), the President, after receiving a de-
19 termination from the Commission under sub-
20 paragraph (B) that is affirmative, or which the
21 President considers to be affirmative under
22 paragraph (1) of section 330(d) of the Tariff
23 Act of 1930 (19 U.S.C. 1330(d)(1)), may ex-
24 tend the effective period of any import relief

1 provided under this section by up to 2 years, if
2 the President determines that—

3 (i) the import relief continues to be
4 necessary to remedy or prevent serious in-
5 jury and to facilitate adjustment by the do-
6 mestic industry to import competition; and

7 (ii) there is evidence that the industry
8 is making a positive adjustment to import
9 competition.

10 (B) ACTION BY COMMISSION.—

11 (i) INVESTIGATION.—Upon a petition
12 on behalf of the industry concerned that is
13 filed with the Commission not earlier than
14 the date that is 9 months, and not later
15 than the date that is 6 months, before the
16 date on which any action taken under sub-
17 section (a) is to terminate, the Commission
18 shall conduct an investigation to determine
19 whether action under this section continues
20 to be necessary to remedy or prevent seri-
21 ous injury and whether there is evidence
22 that the industry is making a positive ad-
23 justment to import competition.

24 (ii) NOTICE AND HEARING.—The
25 Commission shall publish notice of the

1 commencement of any proceeding under
2 this subparagraph in the Federal Register
3 and shall, within a reasonable time there-
4 after, hold a public hearing at which the
5 Commission shall afford interested parties
6 and consumers an opportunity to be
7 present, to present evidence, and to re-
8 spond to the presentations of other parties
9 and consumers, and otherwise to be heard.

10 (iii) REPORT.—The Commission shall
11 submit to the President a report on its in-
12 vestigation and determination under this
13 subparagraph not later than 60 days be-
14 fore the action under subsection (a) is to
15 terminate, unless the President specifies a
16 different date.

17 (C) PERIOD OF IMPORT RELIEF.—Any im-
18 port relief provided under this section, including
19 any extensions thereof, may not, in the aggre-
20 gate, be in effect for more than 4 years.

21 (e) RATE AFTER TERMINATION OF IMPORT RE-
22 LIEF.—When import relief under this section is termi-
23 nated with respect to an article—

24 (1) the rate of duty on that article after such
25 termination and on or before December 31 of the

1 year in which such termination occurs shall be the
2 rate that, according to the Schedule of the United
3 States to Annex 2.3 of the Agreement, would have
4 been in effect 1 year after the provision of relief
5 under subsection (a); and

6 (2) the rate of duty for that article after De-
7 cember 31 of the year in which such termination oc-
8 curs shall be, at the discretion of the President, ei-
9 ther—

10 (A) the applicable rate of duty for that ar-
11 ticle set forth in the Schedule of the United
12 States to Annex 2.3 of the Agreement; or

13 (B) the rate of duty resulting from the
14 elimination of the tariff in equal annual stages
15 ending on the date set forth in the Schedule of
16 the United States to Annex 2.3 of the Agree-
17 ment for the elimination of the tariff.

18 (f) ARTICLES EXEMPT FROM RELIEF.—No import
19 relief may be provided under this section on—

20 (1) any article that is subject to import relief
21 under—

22 (A) subtitle B; or

23 (B) chapter 1 of title II of the Trade Act
24 of 1974 (19 U.S.C. 2251 et seq.); or

1 (2) any article on which an additional duty as-
2 sessed under section 202(b) is in effect.

3 **SEC. 314. TERMINATION OF RELIEF AUTHORITY.**

4 (a) GENERAL RULE.—Subject to subsection (b), no
5 import relief may be provided under this subtitle after the
6 date that is 10 years after the date on which the Agree-
7 ment enters into force.

8 (b) EXCEPTION.—If an article for which relief is pro-
9 vided under this subtitle is an article for which the period
10 for tariff elimination, set forth in the Schedule of the
11 United States to Annex 2.3 of the Agreement, is greater
12 than 10 years, no relief under this subtitle may be pro-
13 vided for that article after the date on which that period
14 ends.

15 **SEC. 315. COMPENSATION AUTHORITY.**

16 For purposes of section 123 of the Trade Act of 1974
17 (19 U.S.C. 2133), any import relief provided by the Presi-
18 dent under section 313 shall be treated as action taken
19 under chapter 1 of title II of such Act (19 U.S.C. 2251
20 et seq.).

21 **SEC. 316. CONFIDENTIAL BUSINESS INFORMATION.**

22 Section 202(a)(8) of the Trade Act of 1974 (19
23 U.S.C. 2252(a)(8)) is amended in the first sentence—

24 (1) by striking “and”; and

1 (2) by inserting before the period at the end “,
 2 and title III of the United States-Peru Trade Pro-
 3 motion Agreement Implementation Act”.

4 **Subtitle B—Textile and Apparel** 5 **Safeguard Measures**

6 **SEC. 321. COMMENCEMENT OF ACTION FOR RELIEF.**

7 (a) IN GENERAL.—A request for action under this
 8 subtitle for the purpose of adjusting to the obligations of
 9 the United States under the Agreement may be filed with
 10 the President by an interested party. Upon the filing of
 11 a request, the President shall review the request to deter-
 12 mine, from information presented in the request, whether
 13 to commence consideration of the request.

14 (b) PUBLICATION OF REQUEST.—If the President de-
 15 termines that the request under subsection (a) provides
 16 the information necessary for the request to be considered,
 17 the President shall publish in the Federal Register a no-
 18 tice of commencement of consideration of the request, and
 19 notice seeking public comments regarding the request. The
 20 notice shall include a summary of the request and the
 21 dates by which comments and rebuttals must be received.

22 **SEC. 322. DETERMINATION AND PROVISION OF RELIEF.**

23 (a) DETERMINATION.—

24 (1) IN GENERAL.—If a positive determination is
 25 made under section 321(b), the President shall de-

1 termine whether, as a result of the elimination of a
2 duty under the Agreement, a Peruvian textile or ap-
3 parel article is being imported into the United States
4 in such increased quantities, in absolute terms or
5 relative to the domestic market for that article, and
6 under such conditions as to cause serious damage,
7 or actual threat thereof, to a domestic industry pro-
8 ducing an article that is like, or directly competitive
9 with, the imported article.

10 (2) SERIOUS DAMAGE.—In making a deter-
11 mination under paragraph (1), the President—

12 (A) shall examine the effect of increased
13 imports on the domestic industry, as reflected
14 in changes in such relevant economic factors as
15 output, productivity, utilization of capacity, in-
16 ventories, market share, exports, wages, em-
17 ployment, domestic prices, profits and losses,
18 and investment, no one of which is necessarily
19 decisive; and

20 (B) shall not consider changes in consumer
21 preference or changes in technology in the
22 United States as factors supporting a deter-
23 mination of serious damage or actual threat
24 thereof.

25 (b) PROVISION OF RELIEF.—

1 (1) IN GENERAL.—If a determination under
 2 subsection (a) is affirmative, the President may pro-
 3 vide relief from imports of the article that is the
 4 subject of such determination, as provided in para-
 5 graph (2), to the extent that the President deter-
 6 mines necessary to remedy or prevent the serious
 7 damage and to facilitate adjustment by the domestic
 8 industry.

9 (2) NATURE OF RELIEF.—The relief that the
 10 President is authorized to provide under this sub-
 11 section with respect to imports of an article is an in-
 12 crease in the rate of duty imposed on the article to
 13 a level that does not exceed the lesser of—

14 (A) the column 1 general rate of duty im-
 15 posed under the HTS on like articles at the
 16 time the import relief is provided; or

17 (B) the column 1 general rate of duty im-
 18 posed under the HTS on like articles on the
 19 day before the date on which the Agreement en-
 20 ters into force.

21 **SEC. 323. PERIOD OF RELIEF.**

22 (a) IN GENERAL.—Subject to subsection (b), the im-
 23 port relief that the President provides under section
 24 322(b) may not be in effect for more than 2 years.

25 (b) EXTENSION.—

1 (1) IN GENERAL.—Subject to paragraph (2),
2 the President may extend the effective period of any
3 import relief provided under this subtitle for a pe-
4 riod of not more than 1 year, if the President deter-
5 mines that—

6 (A) the import relief continues to be nec-
7 essary to remedy or prevent serious damage
8 and to facilitate adjustment by the domestic in-
9 dustry to import competition; and

10 (B) there is evidence that the industry is
11 making a positive adjustment to import com-
12 petition.

13 (2) LIMITATION.—Any relief provided under
14 this subtitle, including any extensions thereof, may
15 not, in the aggregate, be in effect for more than 3
16 years.

17 **SEC. 324. ARTICLES EXEMPT FROM RELIEF.**

18 The President may not provide import relief under
19 this subtitle with respect to an article if—

20 (1) import relief previously has been provided
21 under this subtitle with respect to that article; or

22 (2) the article is subject to import relief
23 under—

24 (A) subtitle A; or

1 (B) chapter 1 of title II of the Trade Act
2 of 1974 (19 U.S.C. 2251 et seq.).

3 **SEC. 325. RATE AFTER TERMINATION OF IMPORT RELIEF.**

4 On the date on which import relief under this subtitle
5 is terminated with respect to an article, the rate of duty
6 on that article shall be the rate that would have been in
7 effect, but for the provision of such relief.

8 **SEC. 326. TERMINATION OF RELIEF AUTHORITY.**

9 No import relief may be provided under this subtitle
10 with respect to any article after the date that is 5 years
11 after the date on which the Agreement enters into force.

12 **SEC. 327. COMPENSATION AUTHORITY.**

13 For purposes of section 123 of the Trade Act of 1974
14 (19 U.S.C. 2133), any import relief provided by the Presi-
15 dent under this subtitle shall be treated as action taken
16 under chapter 1 of title II of such Act (19 U.S.C. 2251
17 et seq.).

18 **SEC. 328. CONFIDENTIAL BUSINESS INFORMATION.**

19 The President may not release information received
20 in connection with an investigation or determination under
21 this subtitle which the President considers to be confiden-
22 tial business information unless the party submitting the
23 confidential business information had notice, at the time
24 of submission, that such information would be released by
25 the President, or such party subsequently consents to the

1 release of the information. To the extent a party submits
2 confidential business information, the party shall also pro-
3 vide a nonconfidential version of the information in which
4 the confidential business information is summarized or, if
5 necessary, deleted.

6 **Subtitle C—Cases Under Title II of**
7 **the Trade Act of 1974**

8 **SEC. 331. FINDINGS AND ACTION ON GOODS OF PERU.**

9 (a) EFFECT OF IMPORTS.—If, in any investigation
10 initiated under chapter 1 of title II of the Trade Act of
11 1974 (19 U.S.C. 2251 et seq.), the Commission makes an
12 affirmative determination (or a determination which the
13 President may treat as an affirmative determination under
14 such chapter by reason of section 330(d) of the Tariff Act
15 of 1930), the Commission shall also find (and report to
16 the President at the time such injury determination is sub-
17 mitted to the President) whether imports of the article of
18 Peru that qualify as originating goods under section
19 203(b) are a substantial cause of serious injury or threat
20 thereof.

21 (b) PRESIDENTIAL DETERMINATION REGARDING IM-
22 PORTS OF PERU.—In determining the nature and extent
23 of action to be taken under chapter 1 of title II of the
24 Trade Act of 1974 (19 U.S.C. 2251 et seq.), the President
25 may exclude from the action goods of Peru with respect

1 to which the Commission has made a negative finding
 2 under subsection (a).

3 **TITLE IV—PROCUREMENT**

4 **SEC. 401. ELIGIBLE PRODUCTS.**

5 Section 308(4)(A) of the Trade Agreements Act of
 6 1979 (19 U.S.C. 2518(4)(A)) is amended—

7 (1) by striking “or” at the end of clause (v);

8 (2) by striking the period at the end of clause
 9 (vi) and inserting “; or”; and

10 (3) by adding at the end the following new
 11 clause:

12 “(vii) a party to the United States-
 13 Peru Trade Promotion Agreement, a prod-
 14 uct or service of that country or instru-
 15 mentality which is covered under that
 16 agreement for procurement by the United
 17 States.”.

18 **TITLE V—TRADE IN TIMBER** 19 **PRODUCTS OF PERU**

20 **SEC. 501. ENFORCEMENT RELATING TO TRADE IN TIMBER** 21 **PRODUCTS OF PERU.**

22 (a) ESTABLISHMENT OF INTERAGENCY COM-
 23 MITTEE.—Not later than 90 days after the date on which
 24 the Agreement enters into force, the President shall estab-
 25 lish an Interagency Committee (in this section referred to

1 as the “Committee”). The Committee shall be responsible
2 for overseeing the implementation of Annex 18.3.4 of the
3 Agreement, including by undertaking such actions and
4 making such determinations provided for in this section
5 that are not otherwise authorized under law.

6 (b) AUDIT.—The Committee may request that the
7 Government of Peru conduct an audit, pursuant to para-
8 graph 6(b) of Annex 18.3.4 of the Agreement, to deter-
9 mine whether a particular producer or exporter in Peru
10 is complying with all applicable laws, regulations, and
11 other measures of Peru governing the harvest of, and
12 trade in, timber products.

13 (c) VERIFICATION.—

14 (1) IN GENERAL.—The Committee may request
15 the Government of Peru to conduct a verification,
16 pursuant to paragraph 7 of Annex 18.3.4 of the
17 Agreement, for the purpose of determining whether,
18 with respect to a particular shipment of timber prod-
19 ucts from Peru to the United States, the producer
20 or exporter of the products has complied with appli-
21 cable laws, regulations, and other measures of Peru
22 governing the harvest of, and trade in, the products.

23 (2) ACTIONS OF COMMITTEE.—If the Com-
24 mittee requests a verification under paragraph (1),
25 the Committee shall—

1 (A) to the extent authorized under law,
2 provide the Government of Peru with trade and
3 transit documents and other information to as-
4 sist Peru in conducting the verification; and

5 (B) direct U.S. Customs and Border Pro-
6 tection to take any appropriate action described
7 in paragraph (4).

8 (3) REQUEST TO PARTICIPATE IN
9 VERIFICATION VISIT.—The Committee may request
10 the Government of Peru to permit officials of any
11 agency represented on the Committee to participate
12 in any visit conducted by Peru of the premises of a
13 person that is the subject of the verification re-
14 quested under paragraph (1) (in this section referred
15 to as a “verification visit”). Such request shall be
16 submitted in writing not later than 10 days before
17 any scheduled verification visit and shall identify the
18 names and titles of the officials intending to partici-
19 pate.

20 (4) APPROPRIATE ACTION PENDING THE RE-
21 SULTS OF VERIFICATION.—While the results of a
22 verification requested under paragraph (1) are pend-
23 ing, the Committee may direct U.S. Customs and
24 Border Protection to—

1 (A) detain the shipment that is the subject
2 of the verification; or

3 (B) if the Committee has requested under
4 paragraph (3) to have an official of any agency
5 represented on the Committee participate in the
6 verification visit and the Government of Peru
7 has denied the request, deny entry to the ship-
8 ment that is the subject of the verification.

9 (5) DETERMINATION UPON RECEIPT OF RE-
10 PORT.—

11 (A) IN GENERAL.—Within a reasonable
12 time after the Government of Peru provides a
13 report to the Committee describing the results
14 of a verification requested under paragraph (1),
15 the Committee shall determine whether any ac-
16 tion is appropriate.

17 (B) DETERMINATION OF APPROPRIATE AC-
18 TION.—In determining the appropriate action
19 to take and the duration of the action, the
20 Committee shall consider any relevant factors,
21 including—

22 (i) the verification report issued by
23 the Government of Peru;

24 (ii) any information that officials of
25 the United States have obtained regarding

1 the shipment or person that is the subject
2 of the verification; and

3 (iii) any information that officials of
4 the United States have obtained during a
5 verification visit.

6 (6) NOTIFICATION.—Before directing that ac-
7 tion be taken under paragraph (7), the Committee
8 shall notify the Government of Peru in writing of
9 the action that will be taken and the duration of the
10 action.

11 (7) APPROPRIATE ACTION.—If the Committee
12 makes an affirmative determination under para-
13 graph (5), it may take any action with respect to the
14 shipment that was the subject of the verification, or
15 the products of the relevant producer or exporter,
16 that the Committee considers appropriate, including
17 directing U.S. Customs and Border Protection to—

18 (A) deny entry to the shipment;

19 (B) if a determination has been made that
20 a producer or exporter has knowingly provided
21 false information to officials of Peru or the
22 United States regarding a shipment, deny entry
23 to products of that producer or exporter derived
24 from any tree species listed in Appendices to
25 the Convention on International Trade in En-

1 dangered Species of Wild Fauna and Flora,
2 done at Washington March 3, 1973 (27 UST
3 1087; TIAS 8249); or

4 (C) take any other action the Committee
5 determines to be appropriate.

6 (8) TERMINATION OF APPROPRIATE ACTION.—

7 Any action under paragraph (7)(B) shall terminate
8 not later than the later of—

9 (A) the end of the period specified in the
10 written notification pursuant to paragraph (6);
11 or

12 (B) 15 days after the date on which the
13 Government of Peru submits to the United
14 States the results of an audit under paragraph
15 6 of Annex 18.3.4 of the Agreement that con-
16 cludes that the person has complied with all ap-
17 plicable laws, regulations, and other measures
18 of Peru governing the harvest of, and trade in,
19 timber products.

20 (9) FAILURE TO PROVIDE VERIFICATION RE-

21 PORT.—If the Committee determines that the Gov-
22 ernment of Peru has failed to provide a verification
23 report, as required by paragraph 12 of Annex 18.3.4
24 of the Agreement, the Committee may take such ac-
25 tion with respect to the relevant exporter's timber

1 products as the Committee considers appropriate, in-
2 cluding any action described in paragraph (7).

3 (d) CONFIDENTIALITY OF INFORMATION.—The Com-
4 mittee and any agency represented on the Committee shall
5 not disclose to the public, except with the specific permis-
6 sion of the Government of Peru, any documents or infor-
7 mation received in the course of an audit under subsection
8 (b) or in the course of a verification under subsection (c).

9 (e) PUBLICLY AVAILABLE INFORMATION.—The Com-
10 mittee shall make any information exchanged with Peru
11 under paragraph 17 of Annex 18.3.4 of the Agreement
12 publicly available in a timely manner, in accordance with
13 paragraph 18 of Annex 18.3.4 of the Agreement.

14 (f) COORDINATION WITH OTHER LAWS.—

15 (1) ENDANGERED SPECIES ACT; LACEY ACT.—

16 In implementing this section, the Secretary of Agri-
17 culture, the Secretary of the Interior, the Secretary
18 of Homeland Security, and the Secretary of the
19 Treasury shall provide for appropriate coordination
20 with the administration of the Endangered Species
21 Act of 1973 (16 U.S.C. 1531 et seq.) and the Lacey
22 Act Amendments of 1981 (16 U.S.C. 3371 et seq.).

23 (2) OTHER LAWS.—Nothing in this section su-
24 persedes or limits in any manner the functions or
25 authority of the Secretary of Agriculture, the Sec-

1 retary of the Interior, the Secretary of Homeland
2 Security, or the Secretary of the Treasury under any
3 other law, including laws relating to prohibited or
4 restricted importations or possession of animals,
5 plants, or other articles.

6 (3) EFFECT OF DETERMINATION.—No deter-
7 mination under this section shall preclude any pro-
8 ceeding or be considered determinative of any issue
9 of fact or law in any proceeding under any law ad-
10 ministered by the Secretary of Agriculture, the Sec-
11 retary of the Interior, the Secretary of Homeland
12 Security, or the Secretary of the Treasury.

13 (g) FURTHER IMPLEMENTATION.—The Secretary of
14 Agriculture, the Secretary of the Interior, the Secretary
15 of Homeland Security, and the Secretary of the Treasury,
16 in consultation with the Committee, shall prescribe such
17 regulations as are necessary to carry out this section.

18 (h) RESOURCES FOR IMPLEMENTATION.—Not later
19 than 90 days after the date on which the Agreement en-
20 ters into force, and as appropriate thereafter, the Presi-
21 dent shall consult with the Committee on Finance of the
22 Senate and the Committee on Ways and Means of the
23 House of Representatives on the resources, including
24 staffing, needed to implement Annex 18.3.4 of the Agree-
25 ment.

1 **SEC. 502. REPORT TO CONGRESS.**

2 (a) IN GENERAL.—The United States Trade Rep-
3 resentative, in consultation with the appropriate agencies,
4 including U.S. Customs and Border Protection, the
5 United States Fish and Wildlife Service, the Animal and
6 Plant Health Inspection Service, the Forest Service, and
7 the Department of State, shall report to the Committee
8 on Finance of the Senate and the Committee on Ways and
9 Means of the House of Representatives on—

10 (1) steps the United States and Peru have
11 taken to carry out Annex 18.3.4 of the Agreement;
12 and

13 (2) activities related to forest sector governance
14 carried out under the Environmental Cooperation
15 Agreement entered into between the United States
16 and Peru on July 24, 2006.

17 (b) TIMING OF REPORT.—The United States Trade
18 Representative shall report to the Committee on Finance
19 of the Senate and the Committee on Ways and Means of
20 the House of Representatives under subsection (a)—

21 (1) not later than 1 year after the date on
22 which the Agreement enters into force;

23 (2) not later than 2 years after the date on
24 which the Agreement enters into force; and

25 (3) periodically thereafter.

TITLE VI—OFFSETS

SEC. 601. CUSTOMS USER FEES.

(a) Section 13031(j)(3)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(A)) is amended by striking “October 21, 2014” and inserting “December 13, 2014”.

(b) Section 13031(j)(3)(B)(i) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(B)(i)) is amended by striking “October 7, 2014” and inserting “December 13, 2014”.

SEC. 602. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

Subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 (26 U.S.C. 6655 note) is amended by striking “115 percent” and inserting “115.75 percent”.

○